

SET WAGES FOR CALENDAR YEAR 2006

TERM BEGINNING DATE Jan. 1, 2006 – Dec. 31, 2006	SET MINIMUM WAGE
<i>Frontline Workers Earning at Least the State Average Hourly Wage</i>	\$21.50
<i>Frontline Workers with Multiple Barriers to Full-Time</i>	See Table 1
<i>Frontline Workers in High Unemployment Areas</i>	See Table 1 or 2 <i>ETP standard minimum wage may be waived for “working poor” retrainees only, if post-retention wage is 7% higher than wage before training. ETP standard minimum wage for “working poor” new hires may be waived up to 25%, on a case-by-case basis - no post-retention wage increase requirement.</i>
<i>Frontline Workers Small Business Owners</i>	No wage requirement

For Projects funded under U.I. Code Section 10214.5:

(As provided below, the dollar value of health benefits voluntarily paid for by an employer for a trainee may be used to calculate wages for SET.)

- Frontline Workers Earning at Least the State Average Hourly Wage: SET Frontline workers must earn wages at least equal to the state average hourly wage of \$21.50 per hour. May use health benefits to meet minimum wage requirement.
- Multiple Barriers: For SET frontline workers with multiple barriers to full-time employment, the standard ETP minimum wages apply. May use health benefits to meet minimum wage requirement.
- High Unemployment Areas: For Set frontline workers in areas of high unemployment, the standard ETP minimum wages apply. However, the ETP minimum wage requirement may be waived for “working poor” trainees – as stipulated on Table 2 Below.
- Small Business Owners: For SET Small Business Owners, there is no wage requirement.

WORKING POOR WAGES FOR CALENDAR YEAR 2006 (Table 2)

(May use health benefits to meet the ETP minimum wage requirement.)

COUNTIES	NEW HIRE WAGE AFTER RETENTION	RETRAINEE WAGE AT START OF TRAINING	INCREASED RETRAINEE WAGE AFTER RETENTION
<i>Alameda, Contra Costa, Los Angeles, Marin, Orange, San Francisco, San Mateo, Santa Clara</i>	\$ 8.06	\$ 9.68	After retention, <i>base wage</i> (<i>base wage</i> does not include health benefits) must be increased. Increase must be at least 7% higher than trainee <i>base wage</i> was at the start of training.
<i>Sacramento</i>	\$ 7.85	\$ 9.41	
<i>San Diego</i>	\$ 7.70	\$ 9.23	
<i>Ventura</i>	\$ 7.73	\$ 9.28	
<i>All Other Counties</i>	\$ 7.26	\$8.87	

- For “working poor” *new-hires*: On a case-by-case basis, the ETP minimum wage requirement may be waived up to 25 percent below the ETP minimum, after training and employment retention. No post-retention wage increase is required.
- For “working poor” *retrainees*: On a case-by-case basis, the Panel may waive the minimum wage requirements for trainees at the start of training (up to 25 percent below the ETP minimum wage requirement). However, trainee’s post-retention *base wage* must be increased. (*Base wage* does not include health benefits.) The increase must be at least 7% higher than trainee *base wage* was at the start of training -except in cases precluded by existing collective bargaining agreement. For example:

At start of training, a trainee earns \$8.00 hr. *base wage* + \$1.13 health benefits = \$9.13 hr. (WAGE AT START OF TRAINING).

After retention, the trainee’s *base wage* must increase by at least 7% of the trainee’s *base wage* (\$8.00) at start of training. Calculate the necessary increase as follows:

$$\$8.00 \text{ (BASE WAGE WITHOUT HEALTH BENEFITS AT START OF TRAINING)} \times 7\% \text{ (MINIMUM REQUIRED INCREASE)} = 56\text{¢}$$

$$\$8.00 + 56\text{¢} = \$8.56 \text{ (REQUIRED BASE WAGE AFTER RETENTION)}$$

$$\$9.13 \text{ (BASE WAGE + HEALTH BENEFITS AT START OF TRAINING)} + 56\text{¢} \text{ (MINIMUM REQUIRED BASE WAGE INCREASE OF 7\%)} = \$9.69 \text{ (REQUIRED WAGE AFTER RETENTION – INCLUDES HEALTH BENEFITS)}$$